

State of California  
Business, Transportation and Housing Agency  
Department of Transportation

HIGHWAY FINANCIAL MATTERS  
Allocations for Supplemental Funds  
Resolution: FA-02-01

Prepared By:  
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CTC Meeting: July 18, 2002

Reference No.: 2.5e

*Original Signed By:*  
ROBERT L. GARCIA  
Chief Financial Officer  
July 1, 2002

**ALLOCATION FOR ADDITIONAL FUNDS  
FOR PREVIOUSLY APPROVED PROJECTS**

**RESOLUTION FA-02-01**

**RECOMMENDATION**

The Department recommends that the California Transportation Commission (Commission) approve the following Resolution.

**FINANCIAL RESOLUTION**

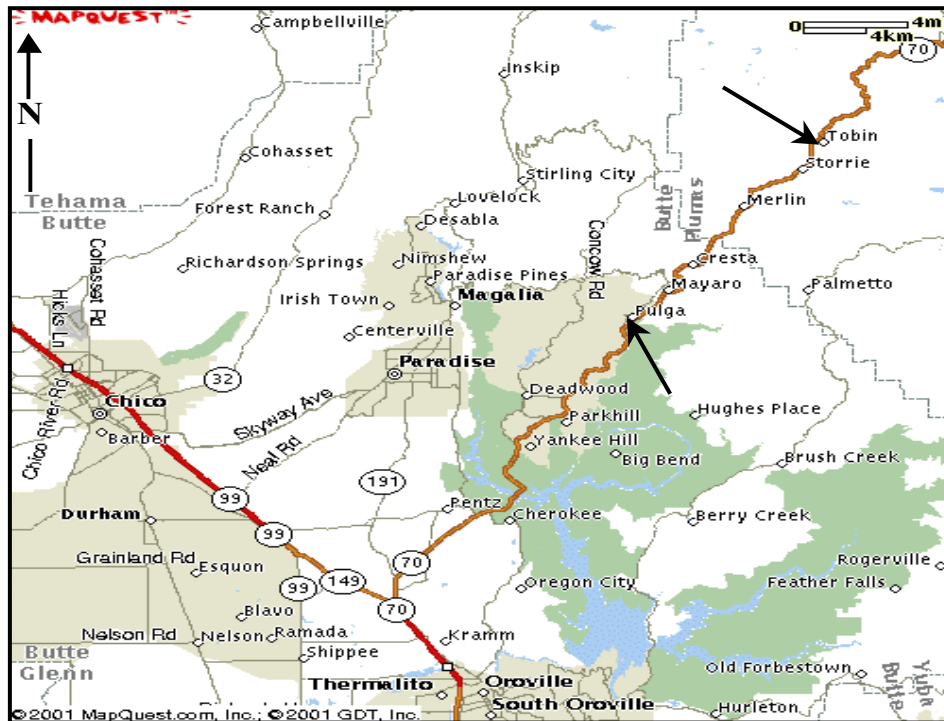
Resolved that \$9,635,900 be allocated from Budget Act Items 2660-301-0042 and 2660-301-0890 of the Budget Act of 2000 and 2001 to provide additional funds for the projects on the attached sheet.

**SUMMARY AND CONCLUSIONS**

This resolution allocates \$9,635,900 of additional State and Federal funds for seven (7) previously approved projects listed below:

Project	Dist-Co-Rte	Original Vote/G11 Amount	Award Amount	Current Budget Amount	Current Allocation Revision	Revised Budget Amount	Total Increase Vote/Award
1	02-Plu-70	\$16,150,000	---	\$20,500,000	\$2,795,000	\$23,295,000	44%V
2	04-SM-1	\$900,000	---	\$900,000	\$480,000	\$1,380,000	53%V
3	05-SCR-152	\$675,000	---	\$825,000	\$158,900	\$983,900	46%V
4	07-LA-103	\$868,000	---	\$1,660,500	\$630,000	\$2,290,500	186%A
5	07-LA-1	\$2,193,000	---	\$2,193,000	\$2,040,000	\$4,233,000	93%V
6	08-SBd-40	\$30,755,000	---	\$34,030,000	\$3,000,000	\$37,030,000	20%V
7	09-Iny-395	\$16,750,000	---	\$18,600,000	\$532,000	\$19,132,000	14%V

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Prgrm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
<b>2.5e Supplemental Funds for Previously Voted Projects</b>			<b>Resolution: FA-02-01</b>		
1 \$2,795,000 Department of Transportation Plumas 02N-Plu-70 3.0/7.0	In Plumas County near Storrie from North Fork Feather River Bridge No. 9-02 to 0.16 kilometer east of North Fork Feather River Bridge No. 9-04 and in Butte and Plumas County near Pulga County near Pulga and Belden at North Fork River Bridge No. 12-38 and No. 9-9. Rehabilitate bridges.	301601 5100 2000/01 301-0042 301-0890 20.20.201.110 SHOPP	\$4,100,000 \$16,400,000 \$20,500,000	\$560,000 \$2,235,000 \$2,795,000	\$4,660,000 \$18,635,000 \$23,295,000
Supplemental funds are needed to award project.					



### PROJECT DESCRIPTION

This project will rehabilitate a total of five (5) steel truss bridges on Route 70 in the Feather River Canyon. Four of the bridges are located in Plumas County, near Storrie, and one bridge is in Butte County.

### BACKGROUND

All five bridges were constructed in the 1930's, and are eligible for the National Register of Historic Places because of their age and location in the Feather River Canyon. These five structures were built utilizing a variety of structural steel truss designs. Each bridge has permit load restrictions, and must be retrofitted in order to meet seismic loading standards.

### FUNDING STATUS

The project was originally programmed in the 2000 SHOPP as two (2) separate projects for a total of \$17,372,000 in the 2001/02 Fiscal Year (PPNOs: A0001G and 5100). The project was voted for a total

of \$16,150,000 in June 2001. On February 28, 2002, the CTC approved a \$4,350,000 supplemental allocation to allow this project to be re-advertised. Bid results from the second advertisement were opened in May 2002. An additional \$2,795,000 is needed to award this contract to the low bidder. This request for \$2,795,000 in supplemental funds results in an overall increase of 44% over the original vote amount for this project.

#### REASON FOR INCREASE

The contract bids were opened in May 2002, and the lowest bid was significantly higher than the Engineer's Estimate. There were five bidders, but the apparent low-bidder requested relief from their bid citing an error in their bid item for mobilization. After reviewing the four remaining contract bids, most of the increase can be attributed to foundation related items. These items were bid approximately \$2,300,000 above the Engineer's Estimate. Interviews with the bidders indicate that the cost reflects the difficult access and geological conditions for construction of foundation work. An additional \$2,795,000 is needed to award this project.

#### FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$2,975,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation.

The Department considered this option and determined that reducing the scope of work of this project, and executing another project to complete the deleted work later would result in greater costs and more disruption to the traveling public.

#### RECOMMENDED OPTION

The Department recommends that this request for \$2,975,000, as presented in Option A above, be approved to allow this project to be awarded.

The project is in the County of San Mateo on Route 1. The work involves replacing damaged culverts and reconstructing the roadway and embankment at seven locations.

This is a storm damage project that resulted from the 1998 storm season. Initial work was done to stabilize the sites. Some additional deterioration has continued requiring ongoing maintenance.

The project was programmed in the 2000 SHOPP for \$900,000 for construction in the 2000/01 Fiscal Year. In August 2001, the California Transportation Commission (CTC) voted the programmed amount. This request for \$480,000 in supplemental funds results in an overall increase of 53% over the vote amount for this project.

#### REASON FOR INCREASE

There were five bids opened in March 2002 and all bids exceeded the Engineer's Estimate. The difference between the low and high bid was approximately \$532,000. Analysis of the bids indicates the cost increase is predominantly concentrated in rock slope protection, roadway excavation, and traffic control. The item bid for Rock Slope Protection was approximately \$182,400 higher than the Engineer's Estimate; Roadway Excavation item bid was approximately \$80,000 higher; and the item bids for traffic control were over by about \$43,000. An additional \$174,600 is needed to cover differences where the bids came in slightly higher on other contract items. The additional \$480,000 is needed to award this project.

#### FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$480,000 to allow this project to be awarded.

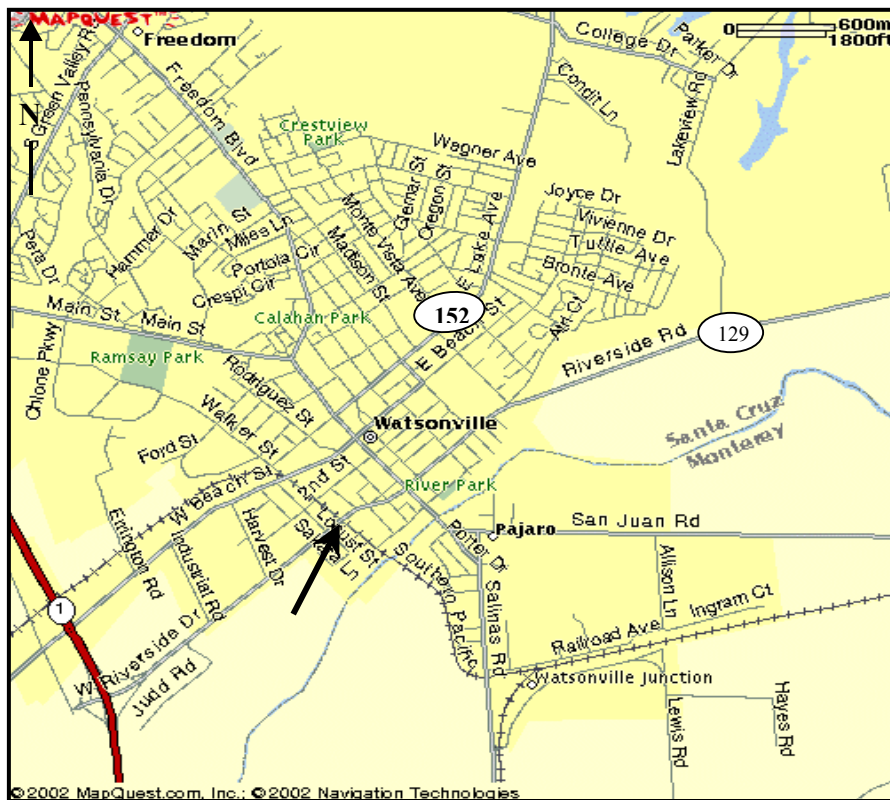
OPTION B: Deny this request and direct the Department to deliver the project within the current allocation.

The Department considered this option and determined that reducing the scope of work of this project, and executing another project to complete the deleted work later would result in greater costs and more disruption to the traveling public.

#### RECOMMENDED OPTION

The Department recommends that this request for \$480,000, as presented in Option A above, be approved to allow this to be awarded.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
3 \$158,900 Department of Transportation Santa Cruz 05N-SCR-152 00.10	In the City of Watsonville in Santa Cruz County on Route 152. Remove and install warning devices.  Supplemental funds are needed to close out project.	0C2801 Minor 1999/00 301-0042 301-0890 20.20.201.310 SHOPP	   \$82,500 \$742,500  \$825,000	   \$15,900 \$143,000  \$158,900	   \$98,400 \$885,500  \$983,900



### PROJECT DESCRIPTION

The project is in the City of Watsonville, in Santa Cruz County, on State Route 152/129. The work involves removal of existing warning devices (cross arms and approach lights), removal of one track from the railroad crossing and consolidation of railroad movement to the two remaining tracks, and installation of new concrete panels and resurfacing.

### FUNDING STATUS

The project was programmed in the 2000 SHOPP for \$675,000. In January 2000, the CTC voted the programmed amount. Additional funds of \$150,000 were allocated per the Department's authority under Resolution G-12 to award the project. This request of \$158,900 in supplemental funds results in an overall increase of 46% above the original allocation.

### BACKGROUND

The project is funded from the Federal 130 Safety Program with 90% Federal and 10% State participation. The Union Pacific Railroad Company (UPRR) performed all work under this service contract.

### REASON FOR INCREASE

Following the initial allocation, the UPRR proceeded with the design of the project. The cost increase is associated with the increases in removing, re-paving, and disposing of materials including traffic control not in original plans, but required by the department's local district inspectors. All this work required additional traffic handling that was not included in the original estimate.

### FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$158,900 to reimburse the UPRR for work that has been performed.

OPTION B: Deny this request and direct the Department to contest billings for the work performed.

The Department considered this option. Denial of this request will force the UPRR to pursue legal action.

### RECOMMENDED OPTION

The Department recommends that this request for \$158,900, as presented in Option A above, be approved to allow this to be closed out.



Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
4 \$630,000 Department of Transportation Los Angeles 07S-LA-103 6.2/7.2	In Los Angeles County in Long Beach at 0.8 kilometers south of West Willow Street. Environmental mitigation.  Supplemental funds are needed to closeout project.	196101 2300 1999/00 301-0042 301-0890 20.20.201.330 SHOPP	   \$76,000 \$1,584,500  \$1,660,500	   \$29,000 \$601,000  \$630,000	   \$105,000 \$2,185,500  \$2,290,500



### PROJECT DESCRIPTION

The project is located in Los Angeles County in the City of Long Beach (City) approximately 0.8km south of West Willow Street. The project will excavate, haul, and dispose of aerially deposited lead soil and contaminated material and replace with imported borrow.

### FUNDING STATUS

The project was programmed in the 2000 SHOPP for \$868,000 for construction in the 1999/2000 Fiscal Year. The programmed amount was voted in June 2000. In August 2000, the contract was awarded for \$800,500. Pursuant to the Department's delegated authority under Resolution G-12, the project was allotted \$200,000 in December 2000 to fund de-watering efforts. In January 2001, an additional \$660,000 was allocated by supplemental vote to fund de-watering efforts. This request of \$630,000 in supplemental funds results in an overall increase of 186% above the award allocation.



### BACKGROUND

The project will remove and dispose of contaminated soil from a 112-meter by 12-meter area that encompasses an unlined storm drain channel. The depth of removal varies between 4.5 meters and 6 meters and the contaminated soil will be disposed of at a Class II landfill facility. The project is located near the Port of Los Angeles and numerous oil refineries in Wilmington. The construction site is located just west of the Terminal Island Freeway in a section between Pacific Coast Highway and West Willow Street that is to be relinquished to the City.

### REASON FOR INCREASE

The Contractor discovered additional contamination in the channel while installing the shoring and dam. Additional tests were taken and confirmed the presence of lead, benzene, gasoline, hexavalent chromium and other hydrocarbons. After completion of the work, claims were submitted for the additional costs related to delay damages and for removing and disposing of the contaminated materials. An additional \$378,477 is requested to settle these claims to which the Contractor is entitled without going to arbitration or paying additional interest.

A settlement agreement has been reached that settles all claims with the Contractor for the sum of \$251,523, which includes interest. The additional \$630,000 is needed to closeout the project.

### FUNDING OPTIONS

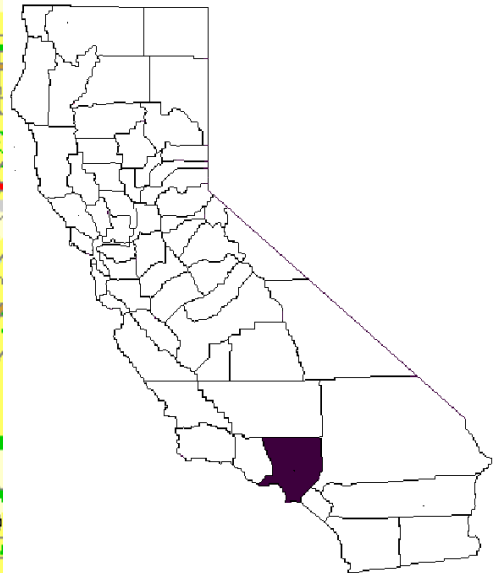
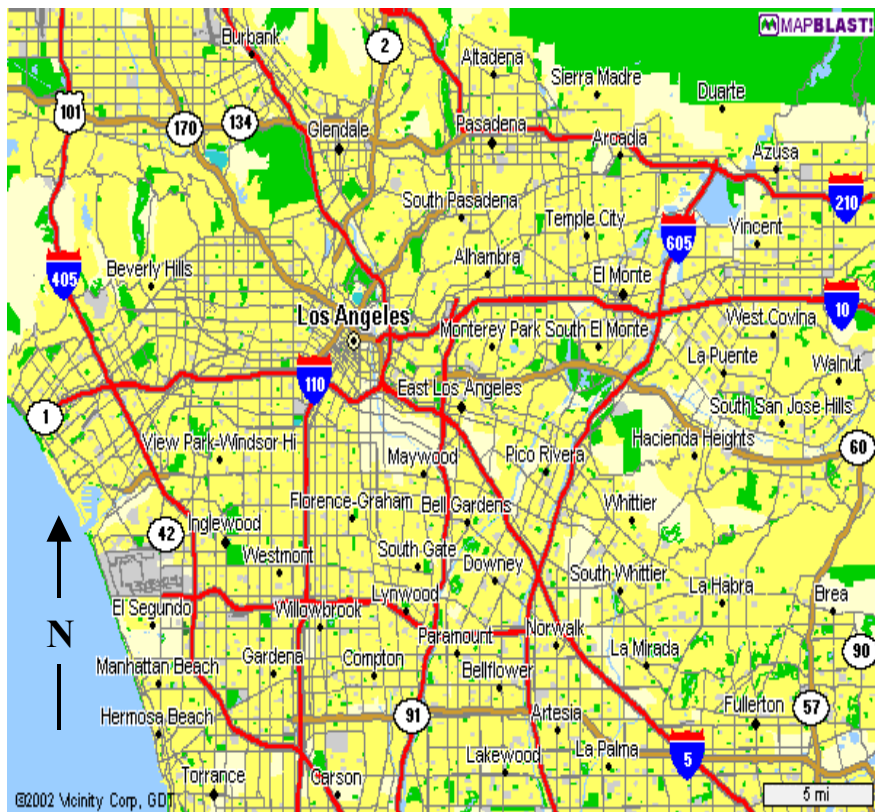
OPTION A: Approve this request as presented above for \$630,000 to allow this project to be closed out.

OPTION B: Deny this request and the Contractor would need to pursue legal action to recover any costs to which they may be entitled. Delaying payment may cause additional interest to accrue and increase the final cost.

### RECOMMENDED OPTION

The Department recommends that this request for \$630,000, as presented in Option A above, be approved to allow this to be closed out.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
5 \$2,040,000 Department of Transportation Los Angeles 07S-LA-1 35.0/63.0	In Santa Monica from Main Street to Ventura County Line; also on Routes 10, 30, 39, 57, 60, 71, 72, 105, 164, 210 and 605. Install and upgrade guardrails.  Supplemental funds are needed to award project.	206031 2348 2001/02 301-0042 301-0890 20.20.201.010 SHOPP	- \$2,193,000 \$2,193,000	- \$2,040,000 \$2,040,000	- \$4,233,000 \$4,233,000



### PROJECT DESCRIPTION

The project is located in Los Angeles County at various locations on Routes 1, 2, 5, 10, 101, 105, and 710. The work involves upgrading and installing new Metal Beam Guardrail (MBGR).

### FUNDING STATUS

The project was programmed in the 2000 SHOPP for \$2,193,000 for construction in the 2001/02 Fiscal Year. In January 2002, the project was voted for the programmed amount. This request for \$2,040,000 results in an overall increase of 93% over the vote amount.

### BACKGROUND

This project is part of a program to upgrade existing MBGR end sections to current standards to conform to the National Cooperative Highway Research Program (NCHRP) Level 3 Testing as required by the Federal Highway Administration (FHWA).

### REASON FOR INCREASE

There were three bids opened in March 2002 and all bids exceeded the Engineer's Estimate. The cost increase is predominantly associated with asphalt concrete (AC) work. The project requires placing miscellaneous AC and AC dikes at spot locations. The nature of the work allows for only short work windows due to traffic restrictions. As a result, the AC plants need to be open at night to produce minor amounts of AC and the unused materials will require recycling. These factors contributed to bids much higher than average for the unit cost items. An additional \$820,000 is needed for this item of work.

The estimated costs for MBGR and traffic control are the other significant differences between the Engineer's Estimate and the lowest bidder. A lower unit price for MBGR was used due to the large number of these units required in this project. An additional \$562,000 is needed to reflect the appropriate cost for this item of work. Due to the nature of the work and the fact that the Contractor must work on several routes at 730 different locations, the bid for traffic control is much higher than anticipated in the Engineer's Estimate. An additional \$431,000 is needed to ensure minimum disruption to the traveling public, and \$227,000 is needed to cover the differences where the bids came in slightly higher on other contract items.

### FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$2,040,000 to allow this project to be awarded.

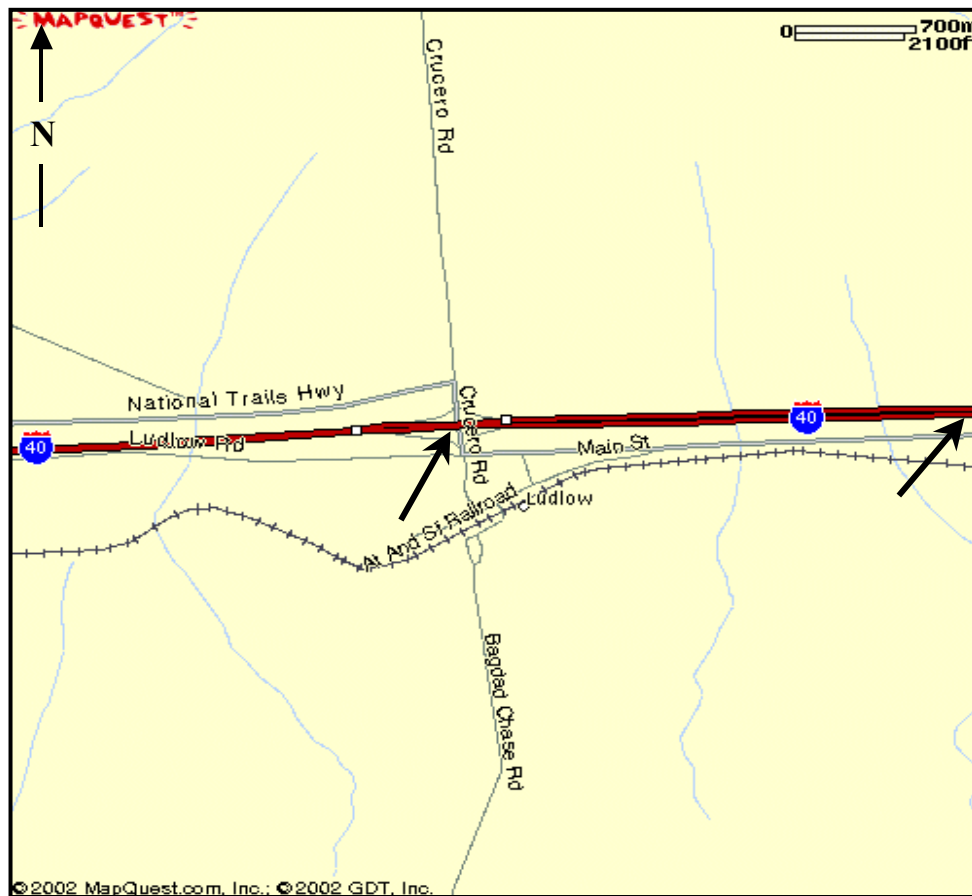
OPTION B: Deny this request and direct the Department to reduce the scope of the project to deliver within the current allocation.

The Department considered this option. This is a safety project and no portion of the work can be eliminated without compromising the integrity of the improvements.

### RECOMMENDED OPTION

The Department recommends that this request for \$2,040,000, as presented in Option A above, be approved to allow this to be awarded.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
6 \$3,000,000 Department of Transportation San Bernardino 08S-SBd-40 R51.0/R73.0	Near Ludlow east of Crucero Road to west of Kelbaker Road. Rehabilitate roadway.  Supplemental funds are needed for ongoing project.	377801 0210E 1999/00 301-0042 301-0890 20.20.201.120 SHOPP	\$2,871,000 \$31,159,000    \$34,030,000	\$253,000 \$2,747,000    \$3,000,000	\$3,124,000 \$33,906,000    \$37,030,000



### PROJECT DESCRIPTION

The project is located in San Bernardino County on Interstate 40, near Ludlow, from east of Crucero Road to west of Kelbaker Road. The work involves replacing the existing AC pavement with Long Life Portland Cement Concrete Pavement (PCCP) while incorporating the existing cement treated base, paving the shoulders with Dense Graded Asphalt Concrete (DGAC), constructing bridge approach slabs, removing asphalt concrete from bridge decks, treating bridge decks with crack sealant, and upgrading safety and drainage items.

### BACKGROUND

The project was initiated based on a Project Scope Summary Report (PSSR) approved in September 1994. The PSSR called for removing the top inch of the existing AC and replacing it with 6-inch thick AC in the travel lanes and 5-inch thick AC on the shoulders. The PSSR also recommended upgrading the existing safety guardrail to meet new design safety standards and modifying drainage items to meet the new roadway elevation. The pavement design was based on a deflection study conducted in September 1994.

A new deflection study conducted in early 1999 revealed further deterioration in the pavement that was three times greater than that discovered in the earlier study. The study indicated that there are widespread locations of damaged pavement. The deflection study also recommended removal of the entire AC pavement within the project limits and for it to be replaced with PCCP.

### FUNDING STATUS

The project was programmed in the 1998 SHOPP for \$15,493,000 for construction in the 1999/2000 Fiscal Year. The CTC voted \$30,755,000 in June 2000. In March 2001, the contract was awarded to Washington Group International, Inc. with an allocation of \$31,420,000. Pursuant to the Department's delegated authority under Resolution G-12, the project was allotted \$2,610,000 in July 2001 for the addition of asphalt concrete bond breaker. This request of \$3,000,000 in supplemental funds results in an overall increase of 20% above the original allocation.

### REASON FOR INCREASE

The cost increase is predominantly attributed to material variance, claims submitted by the Contractor, and the need to adjust contract bid items due to lack of profile information.

- Cement content as specified in the provisions was determined to be insufficient to provide the required 10-day strength. Pursuant to the contract specifications, the additional required cement content is to be paid for by the State. Estimated cost is \$760,000.
- There are existing and pending claims relative to extended duration of equipment, including on-site concrete and AC plants, rock crusher and paving equipment that generated during the delay to produce profile information. An additional \$240,000 is needed for this cost.
- The Engineer's Estimate includes 220 Time Related Overhead (TRO) days. The contract has exceeded the allowable by 120 days. The contract bid item unit cost per day is \$4,000. An additional \$480,000 is needed to fund time extensions for overhead.
- Additional AC is needed to overlay the shoulders. The existing surface does not match the cross-slopes shown in the typical sections. Pre-leveling is now required to build the project and, with this change, the contract bid price is no longer valid. Agreement has been reached on a separate bid price and \$600,000 is needed for this work. Since the AC shoulder thickness varies with the required "pre-leveling," the shoulder backing varies as a direct function. An additional \$280,000 is needed due to the varying surface and excessive depth.
- An additional \$300,000 is needed for removing existing AC and replacing with PCCP that conforms to a smooth profile and uniform cross-section.

- An additional \$140,000 is needed to cover the increase of maintaining traffic longer than originally planned. The concrete, aggregate, and asphalt concrete operations require extensive trucking and utilization of median crossings.
- An additional \$120,000 is needed for State furnished materials. It is anticipated that the sum of expected expenditures would exceed the current allocation.

#### FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$3,000,000 to allow this project to be completed.

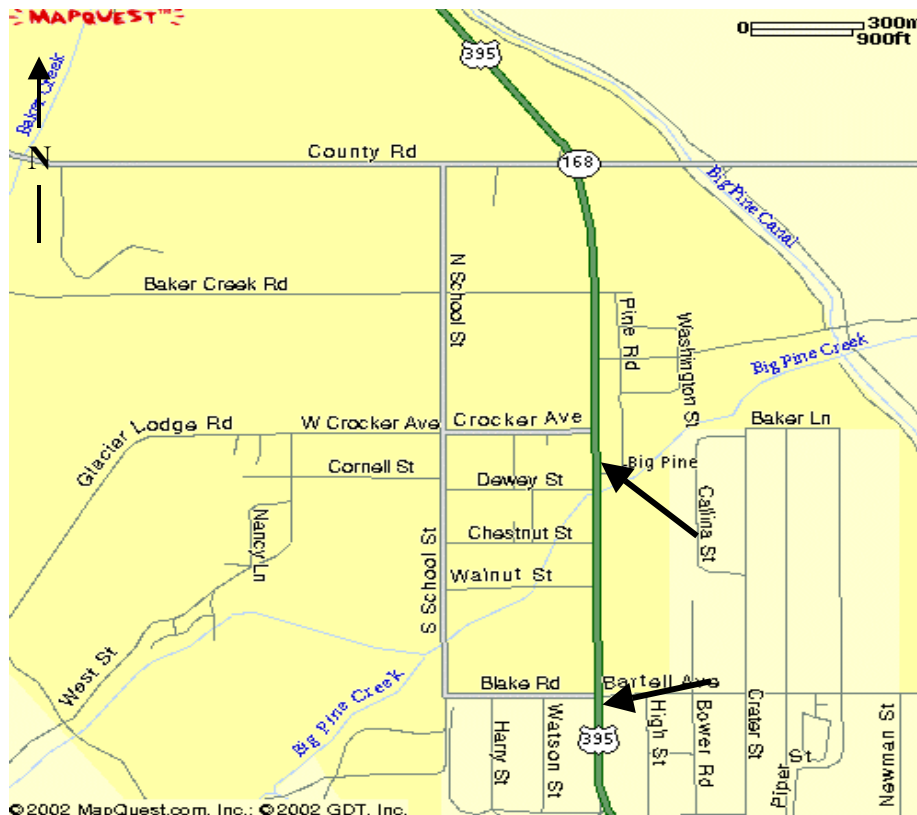
OPTION B: Deny this request and direct the Department to deliver the project within the current allocation.

The Department considered this option. The Contractor would need to pursue legal action to recover any costs to which they may be entitled. Delaying payment may cause additional interest to accrue and increase the final cost.

#### RECOMMENDED OPTION

The Department recommends that this request for \$3,000,000, as presented in Option A above, be approved to allow this project to be completed.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
<b>2.5e</b>	<b>Supplemental Funds for Previously Voted Projects</b>	<b>Resolution: FA-02-01</b>			
7 \$532,000 Department of Transportation Inyo 09S-Iny-395 90.9/99.6	Near Big Pine at Fish Springs from south of Elna Road to south of Bartell Avenue. Construct two-lane highway to four-lane expressway.  Supplemental funds are needed for ongoing project.	214111 0194 2000/01 301-0042 301-0890 20.20.025.513 STIP (GF-IIP)	\$1,780,000 \$13,760,000		\$1,780,000 \$13,760,000
		2000/01 301-0042 301-0890 20.20.025.713 STIP (IIP)	\$350,000 \$2,710,000 \$18,600,000	\$61,180 \$470,820 \$532,000	\$411,180 \$3,180,820 \$19,132,000



## PROJECT DESCRIPTION

The project is located in Inyo County, near Big Pine, from south of Elna Road to south of Bartell Avenue. The project involves widening the facility from a two-lane highway to a four-lane expressway, constructing two reinforced concrete retaining walls and drainage facilities, and installing a high-speed weigh-in-motion system and traffic monitoring station.

## BACKGROUND

The project converts a portion of the existing two-lane highway on United States Route 395 to a four-lane divided expressway. The project will increase traffic capacity, improve traffic flow, reduce traffic congestion queuing, and improve safety for the traveling public.



#### FUNDING STATUS

The project was programmed in the 1998 STIP for \$16,750,000, of which \$13,989,000 comes from the Grandfathered Interregional Improvement Program funds, for construction in the 2001/02 Fiscal Year. The remaining \$2,761,000 was funded with Interregional Improvement Program (IIP) funds. In September 2000, the CTC voted the programmed amount. Pursuant to the Department's delegated authority under Resolution G-12, the project was allotted \$1,850,000 in February 2001 to award the contract. This request of \$532,000 in supplemental funds results in an overall increase of 14% above the original allocation.

#### REASON FOR INCREASE

The cost increase is primarily attributed to the need to reconstruct the gutter ditches so that the proper Clear Recovery Zone Requirements are provided per departmental guidelines, and to incorporate changes to meet the National Pollutant Discharge Elimination System (NPDES) permit for storm water discharges. An additional \$317,100 is needed to ensure the project complies with current standards.

There was a cost overrun on the asphalt concrete contract item. An additional \$83,600 is needed for this item to maintain the scope of the project. It is also requested to restore the contingency balance so that it is commensurate with the remaining work. An additional \$131,300 is needed to augment the project's existing contingency balance.

#### FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$532,000 to allow this project to be completed.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation.

The Department considered this option and determined that reducing the scope of work of this project, and executing another project to complete the deleted work later would result in greater costs and more disruption to the traveling public.

#### RECOMMENDED OPTION

The Department recommends that this request for \$532,000, as presented in Option A above, be approved to allow this project to be completed.